National Credit Union Administration

## Risk-Based Capital Ratio Estimator

| Total Risk Based Capital Ratio | 9.60% |
|---|---|

| Section and Description | Outstanding Balance | Risk Weight | Risk-Weighted Balance |
|---|---|---|---|
| ***Equity Included in Numerator*** | $600 | | $600 |
| Undivided earnings | $100 | 100% | $100 |
| Regular reserves | $100 | 100% | $100 |
| Appropriations for non-conforming investments | $100 | 100% | $100 |
| Other reserves | $100 | 100% | $100 |
| Equity acquired in merger | $100 | 100% | $100 |
| Net income | $100 | 100% | $100 |
| ***Other Additions to Numerator*** | $300 | | $300 |
| ALLL | $100 | 100% | $100 |
| Secondary capital accounts included in net worth (as defined in Part 702.2) | $100 | 100% | $100 |
| Section 208 Assistance included in net worth (as defined in Part 702.2) | $100 | 100% | $100 |
| ***Other Deductions from Numerator*** | $300 | | -$300 |
| NCUSIF capitalization deposit | $100 | -100% | -$100 |
| Goodwill [1] | $100 | -100% | -$100 |
| Other intangible assets (excluding mortgage servicing assets) [1] | $100 | -100% | -$100 |
| [1] See rule for special handling of goodwill and other intangibles related to supervisory mergers | | | |
| ***Total Risk-Based Capital Ratio Numerator*** | | | ***$600*** |
| ***Cash Items*** | $500 | | $40 |
| Cash, currency, coin | $100 | 0% | $0 |
| Balances due from Federal Reserve Banks | $100 | 0% | $0 |
| Insured deposits in U.S. federally insured depository institutions | $100 | 0% | $0 |
| Uninsured deposits in U.S. federally insured depository institutions [2] | $100 | 20% | $20 |
| Balances due from Federal Home Loan Banks | $100 | 20% | $20 |
| [2] Includes balances due from privately-insured credit unions | | | |
| ***Investments (in order of ascending risk weight)*** | $2,400 | | $3,700 |
| Direct unconditional claims on the U.S. government | $100 | 0% | $0 |
| Debt instruments issued by the NCUA and FDIC | $100 | 0% | $0 |
| FRB and CLF stock | $100 | 0% | $0 |
| Agency obligations | $100 | 20% | $20 |
| General obligation bonds issued by state or political subdivisions | $100 | 20% | $20 |
| FHLB stock | $100 | 20% | $20 |
| Funds containing only 703 compliant investments subject to a 0% - 20% risk weight | $100 | 20% | $20 |
| Agency and GSE residential MBS or ABS structured securities (excluding IOPOs) [3] | $100 | 20% | $20 |
| Revenue bonds issued by state or political subdivisions [3] | $100 | 50% | $50 |
| Non-agency residential MBS structured securities [3] | $100 | 50% | $50 |
| Corporate non-perpetual capital (Membership capital) | $100 | 100% | $100 |
| Non-agency ABS structured securities [3] | $100 | 100% | $100 |
| Industrial development bonds | $100 | 100% | $100 |
| Agency-stripped MBS (interest only and principal only) | $100 | 100% | $100 |
| Mutual funds – Part 703 compliant | $100 | 100% | $100 |
| *(optional look-through approach if used for line above)* | $0 | 100% | $0 |
| Corporate debentures and commercial paper | $100 | 100% | $100 |
| General account permanent insurance | $100 | 100% | $100 |
| GSE equity exposure or preferred stock | $100 | 100% | $100 |
| Corporate perpetual capital (Paid-In Capital) | $100 | 150% | $150 |
| Separate account insurance | $100 | 300% | $300 |
| *(optional look-through approach if used for line above)* | $0 | 300% | $0 |
| Publicly traded equity investment (non CUSO) | $100 | 300% | $300 |
| Fair value of mutual funds not compliant with Part 703 | $100 | 300% | $300 |
| *(optional look-through approach if used for line above)* | $0 | 300% | $0 |
| Non-publicly traded equity investment (non CUSO) | $100 | 400% | $400 |
| Subordinated tranche of any investment | $100 | 1250% | $1,250 |
| *(optional gross-up approach if used for line above)* | $0 | 1250% | $0 |

[3] Non-subordinated

National Credit Union Administration

## Risk-Based Capital Ratio Estimator

| Total Risk Based Capital Ratio | 9.60% |
|---|---|

| Section and Description | Outstanding Balance | Risk Weight | | Risk-Weighted Balance |
|---|---|---|---|---|
| ***Loans (by general loan type)*** | $1,500 | | | $1,490 |
| Government-guaranteed portions of outstanding loans (net from all loans below) | $100 | 20% | | $20 |
| Share-secured loans | $100 | 20% | | $20 |
| Current secured consumer loans [4] | $100 | 75% | | $75 |
| Current unsecured consumer loans | $100 | 100% | | $100 |
| Non-current consumer loans | $100 | 150% | | $150 |
| Current 1st lien residential loans comprising less than 35% of assets [5] | $100 | 50% | | $50 |
| Current 1st lien residential loans comprising more than 35% of assets [5] | $100 | 75% | | $75 |
| Non-current 1st lien residential real estate loans [5] | $100 | 100% | | $100 |
| Current junior real estate loans comprising less than 20% of assets [5] | $100 | 100% | | $100 |
| Current junior real estate loans comprising more than 20% of assets [5] | $100 | 150% | | $150 |
| Non-current junior real estate loans [5] | $100 | 150% | | $150 |
| Portions of commercial loans secured by compensating balances | $100 | 100% | | $100 |
| Current commercial loans compising less than 50% of assets [6] | $100 | 100% | | $100 |
| Current commercial loans comprising more than 50% of assets [6] | $100 | 150% | | $150 |
| Non-current commercial loans [6] | $100 | 150% | | $150 |
| [4] Includes a commercial purpose loan secured by a vehicle generally manufactured for personal use | | | | |
| [5] Includes 1- to 4-family non-owner occupied real estate loans which would be considered residential real estate | | | | |
| [6] Excludes certain 1- to 4-family non-owner occupied real estate loans and certain personal use vehicle loans (see rule for details) | | | | |
| ***Other Assets*** | $700 | | | $300 |
| Loans to CUSOs (Unconsolidated CUSOs only) | $100 | 100% | | $100 |
| Equity investments in CUSOs (Unconsolidated CUSOs only) | $100 | 150% | | $150 |
| Mortgage servicing assets (carrying value) | $100 | 250% | | $250 |
| NCUSIF deposit | $100 | -100% | | -$100 |
| Goodwill | $100 | -100% | | -$100 |
| Other intangilble assets | $100 | -100% | | -$100 |
| All other assets | $100 | 100% | | $100 |
| ***Total Asset Check (Compare the amount on this line to your total assets to ensure accuracy)*** | **$5,000** | | | |
| ***Off-Balance Sheet Items*** | $1,100 | | | $518 |
| | | credit conversion | risk weight | |
| Commercial loans transferred with recourse | $100 | 100% | 100% | $100 |
| 1st lien residential real estate loans transferred with recourse | $100 | 100% | 50% | $50 |
| Other real estate transferred with recourse | $100 | 100% | 100% | $100 |
| All other secured consumer loans transferred with recourse | $100 | 100% | 75% | $75 |
| All other unsecured consumer loans transferred with recourse | $100 | 100% | 100% | $100 |
| Loans transferred to FHLB under the Mortgage Partnership Finance Program | $100 | 20% | 50% | $10 |
| Unfunded commercial loan commitments | $100 | 50% | 100% | $50 |
| Unfunded 1st lien residential real estate loan commitments | $100 | 10% | 50% | $5 |
| Unfunded other real estate loan commitments | $100 | 10% | 100% | $10 |
| Unfunded secured consumer loans | $100 | 10% | 75% | $8 |
| Unfunded unsecured consumer loans | $100 | 10% | 100% | $10 |
| ***Derivatives*** | | | | $200 |
| | enter final risk-weighted amount | | | |
| OTC interest rate derivative contract exposure [7] | $100 | | | $100 |
| Cleared transactions for interest rate derivatives [7] | $100 | | | $100 |
| [7] See rule for calculation methodology | | | | |
| ***Total Risk-Based Capital Ratio Denominator*** | | | | ***$6,248*** |